

**MINUTES OF THE STATE LEVEL BANKERS' COMMITTEE
MEETING OF MEGHALAYA FOR THE QUARTER ENDED JUNE, 2021
HELD ON 29.10.2021 AT 12:00 NOON**

The SLBC Video Conferencing for the quarter ended June, 2021 for Meghalaya was held on 29.10.2021. The meeting was presided by Mrs. R.V.Suchiang, IAS & Chief Secretary, Government of Meghalaya. The Meeting was also attended by Shri Lunkim Thangboi, General Manager from SBI, Local Head Office, Guwahati, Mr. Sampath Kumar, IAS & Principal Secretary C & RD, Dr. Vijay Kumar, IAS Commissioner & Secretary, Finance and Agriculture, Shri P.K Agrahari, IFS Secretary Finance. Shri P. Gangte, General Manager of RBI and Smt. N. Guite, General Manager of NABARD and senior officials of Banks and Government department of the State.

2. The Meeting started with a brief welcome address by Shri Lunkim Thangboi, General Manager & SLBC Convenor, SBI, Local Head Office, Guwahati. He greeted all the dignitaries participating in the SLBC Meeting and appreciated the performance of 31 banks operating in Meghalaya in various parameters, viz. CD ratio, Priority Sector Advance, MSME, PMMY, PMSVANidhi, GECL under Atmanirbhar Bharat etc. despite the prevailing Covid-19 pandemic.

3. Shri P Gangte, General Manager of Reserve bank of India in his address congratulated Mrs R. V Suchiang on becoming Chief Secretary and new chairman of SLBC. He suggested to focus the discussions more on the possibilities and strategies for the upcoming quarters instead of dwelling deep on our misses of last quarter, since many issues were already discussed in the Special SLBC meeting held on 27.09.2021. He informed the house that the bank lending to NBFCs (other than MFIs) has been extended till March, 2022 for on-lending to the underserved/unserved segments of the society and it is classified under Priority Sector till the date of repayment/maturity whichever is earlier. RBI has also enhanced the per-transaction limit in IMPS from ₹2 lakh to ₹5 lakh. Further he also informed the house that RBI on October 08, 2021 reviewed WMA Limits and Relaxation in Overdraft (OD) Facility for the State Governments totalling ₹51,560 crore up to March, 2022.

4. The Chairman in her address welcomed all the dignitaries, the bankers and the Government officials. At the very outset she informed/remarked the quarter on quarter CD ratio of the banks and called upon the banks to improve credit growth for overall improvement of CD Ratio. She informed that out of 7 banks with CD ratio below 20%, 3 (three) banks namely KMB, IDFC and SIB are to submit the report on planning and strategy to improve the CD Ratio. Remaining 4 banks namely Yes bank, Union Bank, IDBI and NESFB are to put in more effort to achieve the 20% CD ratio. She also informed the house that the State Government will continue to withdraw funds kept in the Banks with CD Ratio less than 20%.

(Action: All concerned banks and Finance Deptt)

5. On the issue of poor internet connectivity that is hampering banking services, she requested the Banks to specifically highlight the issues on Internet connectivity, road communication, power supply (Bank-wise/ District/Block/village wise) and submit the report to Finance Department and SLBC. The date for next meeting shall be fixed only after submission of the report. She also pointed out that out of the target of 9 branches to be opened in FY-

2020-21, banks have opened only four. Further, she emphasized that 15 new branches are to be opened during this current FY-2021-22, but not a single branch has been opened so far, which indicated that branch expansion plan in rural areas is very slow. This trend will have an impact on access to finance in rural areas.

(Action: All the Banks)

6. She appreciated the initiatives taken by Meghalaya State Rural Livelihood Society (MSRLS) and Meghalaya Rural Bank to deploy BC agent in the remaining uncovered villages, in which MSRLs have identified around 100 BC points and MRB have distributed around 200 micro ATMs to these BCs to provide doorstep banking services in villages. Latest progress report to be submitted by MSRLS and MRB in this regard.

(Action: MSRLS and MRB)

7. She also called upon the Banks to submit the reasons/ explanation on the declining trend of ACP achievement in the last three years (achievement in FY-2018-19: 77.06%, in 2019-20: 50%, and in 2021-22: 59.01%) before the next SLBC meeting. In this regard, the SLBC convener informed the house that ACP target for the last many years is based on the Potential linked plan of NABARD which is comparatively high and not realistic in comparison to banks performance in the last three years. In addition, due to corona lockdown and restrictions from the last quarter of 2019-20 onward, sanction of new loans have come to a standstill.

(Action: NABARD, All Banks)

DISCUSSION ON THE AGENDA- Shri Pranjal Phatowali, AGM, SBI, RBO Shillong, Meghalaya presented the Agenda of SLBC Meeting. The minutes of the last SLBC meeting dated 30.07.2021 was adopted in the meeting.

8. Review of Action Taken Report on Minutes of last SLBC meeting dated 30.07.2021:

(i) **COVID 19 vaccination status:** Chief Secretary requested all the banks/branches to get their employees vaccinated against COVID 19. She asked all the banks /branches to submit a report on the vaccination taken by the employees, which bank/branches and employees has taken or are yet to take the vaccine.

(Action: All Banks)

(ii) **Tax Deduction at Source (TDS):** Banks have now confirmed that no more TDS is deducted from the interest earned by the Scheduled Tribe community in the sixth scheduled area. Dr. V. Kumar D, Commissioner & Secretary, Finance pointed out the need to immediately stop TDS deduction from Village Employment Council (VEC) accounts under MGNREGA daily wages. Since all the NREGA wages get into VEC accounts, the amount accumulated goes beyond 20 lakh so the banks are deducting TDS from VEC accounts. Hence he suggested that the VEC accounts needs to be marked separately and ensure that no TDS is deducted in future.

(Action: All Banks)

(iii) **Opening of new RSETI in Jaintia Hills:** Ms. S. Bhattacharjee, AGM PNB informed that approval is awaited from their Head Office and assured that as soon as approval from the

Head Office is obtained the establishment of RSETI will be started at the earliest in Jaintia Hills

(Action: PNB)

(iv) Status of PMEGP loan proposals: Out of 1167 loan proposals submitted, only 93 proposals have been sanctioned by the banks. The Chairman SLBC requested Commissioner & Secretary, Finance to convene a meeting with KVIC, KVIB, DIC and the non-performing banks to discuss the issues and the way forward.

(Action: Finance Dept)

(v) Uncovered villages in Jandhan Darshak App: Mr. L. Thangboi, GM of SBI informed that there are 15 remaining uncovered villages under Jandhan Darshak App. to be covered by HDFC, MCAB and ICICI Bank. He called upon these banks to accord top priority to cover these villages and upload the banking touch points in the Jandhan Darshak App within November 2021.

(Action ICICI Bank, MCAB and HDFC)

(vi) Deployment of BC by IPPB- Shri P Gangte, GM RBI Pointed out that out of 101 uncovered villages allotted to IPPB, only 20 villages were covered despite having 239 BCs and 8 branches. He suggested to have at least 3 and 1 additional CBS enabled branches in South Garo Hills and West Garo Hills respectively. In response, IPPB agreed in principle. Chief Secretary suggested that a meeting with Finance Department, Department of Posts, RBI and SBI shall be fixed to discuss on the issue.

(Action: IPPB, RBI, Finance Deptt and SLBC)

(vii) SHG credit linkage implemented by NRLM/ MSRLS: Mr Ronald Kynta, C.O.O, MSRLS informed that out of 3746 SHG loan proposals submitted to the bank, 1330 proposals were sanctioned by banks. He requested the banks to provide the status on the SHG pending loan proposals and SB account opening. Shri Sampat Kumar, Principal Secretary, C&RD, Govt. of Meghalaya, requested the banks to open the pending SHG Saving Banks accounts submitted to bank branches at the earliest. Mr. L. Thangboi, GM SBI assured the house and advised the SLBC Convener, Meghalaya to ensure that banks in general and SBI in particular will open the remaining accounts if there are no issues and will sanction eligible SHG loan proposals at the earliest. GM, RBI suggested to have a monthly meeting to resolve genuine concerns of MSRLS and banks for SHG. MCAB have confirmed that the SHG status report in this regard is submitted to MSRLS

(Action: SLBC, MSRLS, Banks and SBI)

(viii) PMSVANidhi Scheme: The house was informed that Government of India has decided to include the loan to street vendors under PMSVANidhi as priority sector advance under Mudra (Shishu) and is guaranteed by National Credit Guarantee Trust Company Ltd (NCGTC) and Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE). Shri L. Thangboi, GM of SBI requested the member banks to ensure that Performance report is submitted daily to SLBC for compilation and submission to Department of Financial Service, Government of India.

(Action: NULM & All Banks)

(ix) Farmers ID Card in the State – A brief presentation on the subject was given by NIC on this new initiative of the State Government to be implemented by Agriculture Department with the objective of rolling out the farmers data base. The Project was conceptualized since 2019 under the flagship program of PM Kisan schemes to create farmers data base through Common Service Centre (CSC), duly authenticated by the District Agriculture Office and local Headman/ Sordar of respective villages. Offline verification will also be done by the Agriculture Field Officers to ascertain the correctness of farmers data and finally to be signed digitally by the District Agriculture Officer. In the process, the land ownership declaration of the farmers duly authenticated by respective Headman/Sordar is recorded in the data base of the ID Card. Standard Operating Procedure (SOP) for banks is under process so as to consider the Farmers ID card as validated documents, after verification from the web portal to sanction loans to farmers. Once this SOP is completed, it to be shared by NIC to all the banks. NIC is requested to share the SOP for onward circulation to the banks.

(Action: NIC and Banks)

(x) Business Correspondent (BC): Shri P.k. Agrahari, Secretary Finance noted with concern regarding non submission of BC report as discussed in the special SLBC meeting held on 27.09.2021. The details of Banks BC with contact details and locations as already discussed in the Special SLBC meeting on 29.09.2021 are required to be submitted immediately by Banks within 3rd November, 2021.

(Action: All Banks)

(xi) National Housing Board (NHB): Representative from NHB informed that there is a direction from the Ministry of Finance, Government of India that performance of the Banks on PMAY has to be discussed in every SLBC meeting. Shri. P.K. Agrahari, Secretary Finance informed that there are two Mission Directors under PMAY, Rural and Urban. He also suggested that the PMAY matters should be included in the SLBC agenda and from the next SLBC Meeting, Mission Directors under PMAY should also be invited to the meeting.

(Action: SLBC convener and Finance Deptt)

(xii) Shri L.Thangboi also noted with concern the high level NPA in Government sponsored schemes and called upon the Government for speedy loan recovery through Bakijai offices and joint recovery drive. He also suggested the Government to conduct camps and sensitize customers on credit discipline. While Agriculture sector has the potential and can be encouraged for credit absorption, it appears that the banks are facing mounting overdues at 50% and NPA at 12%.

(Action: DCs/Related Govt. Department)

6. The meeting was concluded with a vote of Thanks by Mrs S Bhattacharjee, Asst General Manager PNB, Zonal Office, Guwahati.


Chief Secretary
Government of Meghalaya
Shillong

Copy to all Members